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> DA 04-1848 June 28, 2004

## **CARRYOVER OF UNUSED FUNDS FOR FUNDING YEAR 2004**

## Schools and Libraries Universal Service Support Mechanism

## Docket No. 02-6

In the *Third Report and Order*, the Commission determined that unused funds from prior funding years would be made available annually in the second quarter of each calendar year for use in the next full funding year of the schools and libraries mechanism.<sup>1</sup> The Order further set forth that based on estimates provided by the Universal Service Administrative Company (Administrator), the Wireline Competition Bureau would annually announce a specific amount of unused funds from prior years to be carried forward in accordance with the public interest to increase funds for the next full funding year in excess of the annual cap.

The Administrator filed its Federal Universal Service Support Mechanisms Fund Size Projections for the Third Quarter 2004 on April 30, 2004<sup>2</sup> and submitted a corrected filing on May 13, 2004. That filing included an estimate of \$150 million in unused funds from Funding Year 2001 available to carry forward to increase disbursements to schools and libraries in Funding Year 2004.

Based on the Administrator's estimate, the Wireline Competition Bureau announces that \$150 million will be carried forward from Funding Year 2001 to increase funds for Funding Year 2004 in excess of the annual cap. In accordance with the *Third Report and Order*, this amount of unused funds to be carried forward will be deemed approved by the Commission if it takes no action within 14 days of the release of this public notice.

For further information, contact Jennifer Schneider, Attorney, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400.

<sup>&</sup>lt;sup>1</sup>Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Third Report and Order and Second Further Notice of Proposed Rulemaking, 18 FCC Rcd 26912 (2003) (*Third Report and Order*).

<sup>&</sup>lt;sup>2</sup>See Federal Universal Service Support Mechanisms Fund Size Projections for the Third Quarter 2004, available at http://www.universalservice.org/overview/filings (filed April 30, 2004).

<sup>&</sup>lt;sup>3</sup>See Federal Universal Service Support Mechanisms Fund Size Projections for the Third Quarter 2004, Corrected, available at http://www.universalservice.org/overview/filings (filed May 13, 2004).

<sup>&</sup>lt;sup>4</sup>*Id.* at 32.